

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF GEORGIA
MACON DIVISION**

VC MACON GA, LLC,

Plaintiff,

v.

VIRGINIA COLLEGE, LLC and
EDUCATION CORPORATION OF
AMERICA,

Civil Action No. 5:18-cv-00388-TES

Defendants.

**LIMITED OBJECTION TO TERMS OF ORDER APPOINTING
RECEIVER AND PRELIMINARY OBJECTION**

COMES NOW Landlord CKS-VCC, LLC (“CKS”) and submits its objection to the Order Appointing Receiver and Preliminary Injunction entered by this Court on November 14, 2018 (the “Receivership Order”, Dkt. No. 26), and in support thereof respectfully states as follows:

INTRODUCTION

1. CKS is a landlord of the campus operated by Virginia College, LLC (“VC”) in Columbia, S.C.

2. The lease for the Columbia, S.C. campus is in material default. However, prior to the appointment of the Receiver, CKS and VC entered into discussions regarding possible terms on which the lease could be modified to permit VC to complete the 2018-2019 academic year, which would allow the school to perform as a “teach-out” school.

3. The failure of CKS to maintain the lease, cure defects and/or finalize the terms for an amended lease is causing a financial hardship on CKS.

4. VC and/or the Receiver are in control of the leased premises and continue to conduct classes and business operations at the Columbia, S.C. campus.

5. By this pleading, CKS is not affirmatively opposing the appointment of the Receiver, the pursuit of the relief requested by Plaintiff, or the timely pursuit of a restructuring plan by VC in conjunction with the Receiver. However, CKS is opposed to the current framework of the receivership and submits this objection to ensure that it may participate in and be heard in the proceeding and to seek the implementation of restrictions and protections enumerated in the Bankruptcy Code and related Federal Rules of Bankruptcy Procedure.

LIMITED OBJECTION TO RECEIVERSHIP ORDER

6. By this pleading, CKS is not affirmatively opposing the appointment of the Receiver, the pursuit of the relief requested by Plaintiff, or the timely pursuit of a restructuring plan by VC in conjunction with the Receiver. However, CKS is opposed to the current framework of the receivership and submits this objection to ensure that it may participate in and be heard in the proceeding and to seek the implementation of restrictions and protections enumerated in the Bankruptcy Code and related Federal Rules of Bankruptcy Procedure.

7. The current proceeding is a quasi-bankruptcy proceeding, but it fails to implement the protections to which creditors would be entitled in a formal bankruptcy proceeding. This flaw needs to be remedied.

8. CKS joins in the concerns expressed by other creditors in their objections to the Receivership Order and implores the Court to fashion an appropriate, but equitable remedy to address these concerns.

CONCLUSION

WHEREFORE, CKS, respectfully requests that the Court:

Enter an order (i) protecting CKS and other creditors by incorporating the protections of the Bankruptcy Code as applicable in this proceeding (including but not limited to appointment of one or more creditors' committees to represent the interests of landlords and other creditors), and (ii) for such other and further relief as the Court deems appropriate.

Respectfully submitted this 3rd day of December 2018.

MILLER & MARTIN PLLC

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CERTIFICATE OF SERVICE

This is to certify that on the 3rd day of December 2018, I caused a copy of the foregoing **LIMITED OBJECTION TO TERMS OF ORDER APPOINTING RECEIVER AND PRELIMINARY OBJECTION** to be served upon counsel and/or parties of interest electronically through the Court's CM/ECF system to those shown on the Notice of Electronic Filing receipt issued by the Clerk of the Court, and by First Class U.S. mail, addressed as follows:

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